REMARKS

This amendment is responsive to the final Office Action mailed October 20, 2005 (hereinafter "Office Action"). This amendment is being filed simultaneously with a request for continued examination (RCE). Applicant respectfully requests reconsideration and allowance of the present application.

As a preliminary note, applicant noticed grammatical errors in the specification and has accordingly amended the specification to correct those errors. The amended specification also includes references to numerals in the drawings that were not previously indicated in the specification. No new matter has been added.

Claims 1-16 are pending in the application. New Claims 17-22 have been added. In the Office Action, Claims 1-16 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Keiser et al. (U.S. Patent Number 6,505,174, hereinafter "Keiser") in view of Korhammer et al. (U.S. Patent Number 6,278,982, hereinafter "Korhammer"). Applicant has carefully considered the cited references and the comments provided in the Office Action, and respectfully submits that Claims 1-22 presented herewith are patentable over the prior art.

Claims 1-6, 17, and 19 are Patentable Over the Prior Art

As noted above, Claims 1-16 were rejected in the Office Action as being unpatentable over Keiser in view of Korhammer. Applicant respectfully disagrees. As amended, independent Claim 1 reads as follows:

> 1. A method of providing a published price for a security, comprising:
> notifying a set of first computer program entities of a proposed price for buying or selling the security,
> determining whether any of the first computer program entities has offered an improved price higher than the proposed price for buying or lower than the proposed price for selling, and
> providing the improved price as the published price,
> wherein the notifying, determining, and providing are performed by a second computer program entity executing on a computer.

Keiser fails to teach or suggest "notifying a set of first computer program entities of a proposed price for buying or selling the security," as specifically required by Claim 1. The Office Action refers to the abstract and Col. 2, lines 57-67, and Col. 3, lines 1-28, of Keiser, but these passages merely teach a known process in which a user obtains and executes a securities trade based on a published buy or sell price. This is acknowledged in the background of the present application at page 1, lines 10-11. A published price for consummating a market order is

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not equivalent to a "proposed price" as claimed in Claim 1. Indeed, the Examiner is requested to note that Claim 1 uses different terms to refer to a "published price" and a "proposed price."

Keiser also fails to teach or suggest "determining whether any of the first computer program entities has offered an improved price higher than the proposed price for buying or lower than the proposed price for selling, and providing the improved price as the published price, wherein the notifying, determining, and providing are performed by a second computer program entity executing on a computer." The Office Action acknowledged the failure of disclosure in Keiser and instead turned to Korhammer. However, the disclosure in Korhammer does not overcome this deficiency in Keiser. Applicant has carefully studied Figure 4 of Korhammer and the corresponding description at Col. 8, lines 28-38 and lines 48-67, as well as Col. 9, lines 1-8, as cited in the Office Action, but finds that these portions of Korhammer neither teach nor suggest the elements of Claim 1 recited above. Korhammer states that a "* character is used to show the most recently updated quote" as indicated in Figure 4 next to an offer by "Sherwood Securities" to sell at 39 7/16, but this does not signify an "improved price" as recited in Claim 1. Indeed, the depicted offer to sell at 39 7/16 is higher than the lowest book sell price (39 5/16) shown in Figure 4.

The combination of Keiser and Korhammer (which combination applicant specifically denies) cannot support a *prima facie* rejection of Claim 1 based on obviousness. Accordingly, the rejection of Claim 1 should be withdrawn.

Claims 2-6 are dependent on Claim 1 and thus are patentable for at least the same reasons presented above with respect to Claim 1. Applicant submits that Claims 2-6 are further patentable for the additional subject matter they recite, which is not taught or suggested in the prior art. Applicant has considered the passages in Keiser at Col. 6, lines 45-65; Col. 27, lines 10-25; and Col. 11, lines 40-65, and does not find Keiser disclosing what is claimed. Accordingly, the rejection of Claims 2-6 should be withdrawn.

New Claims 17 and 19 are further patentable over the prior art, for their dependence on Claim 1 and for the additional subject matter recited therein. Neither Keiser nor Korhammer (alone or combined) teaches the combination of Claim 1 "wherein the first computer program entities each represent an order for the security that has not been booked" (Claim 17) or "wherein the notifying, determining, and providing are performed automatically without human intervention" (Claim 19).

Claims 7-11 are Patentable Over the Prior Art

As amended, independent Claim 7 reads as follows:

7. A method of participating in pricing of a security, comprising:

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receiving a proposed price for the security from a second computer program entity,

determining whether to improve upon the proposed price, and

when the determination is affirmative, offering an improved price to the second computer program entity which can be provided by the second computer program entity as a published price to a third party,

wherein the receiving, determining and offering are performed by a first computer program entity executing on a computer.

Keiser fails to teach or suggest a method of participating in the pricing of a security, as claimed in Claim 7, which includes "receiving a proposed price for the security from a second computer program entity." As discussed above with respect to Claim 1, the cited passages in Keiser at Col. 2, lines 57-67, and Col. 3, lines 1-28, merely teach a known process in which a user obtains and executes a securities trade based on a published buy or sell price. A published price for consummating a market order is not equivalent to a "proposed price" as claimed in the Claim 7.

Keiser also fails to teach or suggest "determining whether to improve upon the proposed price, and when the determination is affirmative, offering an improved price to the second computer program entity which can be provided by the second computer program entity as a published price to a third party, wherein the receiving, determining and offering are performed by a first computer program entity executing on a computer." This failure in Keiser is acknowledged in the Office Action, which attempts to use Korhammer to overcome the deficiencies of Keiser. However, the disclosure in Korhammer fails in that regard. Figure 4 of Korhammer and the corresponding description at Col. 8, lines 28-38 and lines 48-67, and Col. 9, lines 1-8, as cited in the Office Action, neither teach nor suggest the elements of Claim 7 recited above. As discussed above, Korhammer's use of the "* character . . . to show the most recently updated quote" does not teach or suggest an "improved price" as claimed in Claim 7.

Applicant denies that Keiser and Korhammer can be combined, and even if combined, the disclosures do not teach or suggest all of the elements of Claim 7 and thus cannot support a *prima facie* rejection based on obviousness. Accordingly, the rejection of Claim 7 should be withdrawn.

Claims 8-11 are dependent on Claim 7 and thus are patentable for at least the same reasons presented above with respect to Claim 7. Applicant further submits that Claims 8-11 are patentable for the additional subject matter they recite, which is not taught or suggested in Keiser and Korhammer, notwithstanding the cited passages in Keiser at Col. 2, lines 25-35; Col. 3, lines 15-65; Col. 4, lines 5-56; Col. 6, lines 45-55; Col. 21, lines 60-65; and Col. 27, lines 10-25,

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which do not teach the claimed elements. Accordingly, the rejection of Claims 8-11 should be withdrawn.

Claims 12-16, 18, and 20-22 are Patentable Over the Prior Art

As amended, independent Claim 12 reads as follows:

> 12. A method of setting a price for a security, comprising:
>
> maintaining an order book including orders to buy or sell specified quantities of the security at respective prices, the lowest sell order price of the booked orders being the book sell price, the highest buy order price of the booked orders being the book buy price,
>
> engaging in a price discovery procedure with a set of first computer program entities before responding to a request for a current buy or sell price of the security to produce a discovered price, and
>
> providing the discovered price as the current buy or sell price, the discovered price being higher than the book buy price or lower than the book sell price,
>
> wherein the maintaining, engaging and providing are performed by a second computer program entity executing on a computer.

Keiser and Korhammer do not teach each and every element of independent Claim 12. Accordingly, a *prima facie* case of obviousness has not been established. In particular, Keiser does not teach a method of setting a price for a security, which method includes, *inter alia*, "engaging in a price discovery procedure with a set of first computer program entities before responding to a request for a current buy or sell price of the security to produce a discovered price" and "providing the discovered price as the current buy or sell price, the discovered price being higher than the book buy price or lower than the book sell price."

Acknowledging the deficiency in Keiser, the Office Action referred to the disclosure of Korhammer, but the Korhammer disclosure is similarly deficient. Korhammer does not disclose a price discovery procedure, nor does it disclose engaging in a price discovery procedure which may yield a discovered price that is higher than the book buy price or lower than the book sell price, as claimed. Korhammer's use of the "* character . . . to show the most recently updated quote" does not teach or suggest a "discovered price being higher than the book buy price or lower than the book sell price." Indeed, as noted above, the depicted offer by "Sherwood Securities" to sell at 39 7/16 is higher than the book sell price (39 5/16) shown in Figure 4.

Thus, even if the Keiser and Korhammer disclosures are combinable (which combination applicants specifically deny), the resultant combination does not disclose all of the elements of Claim 12. As a result, applicant respectfully submits that Claim 12 is allowable over the teachings of Keiser and Korhammer, taken alone or in combination.

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Claims 13-16 are dependent on Claim 12 and thus are patentable for at least the same reasons presented above with respect to Claim 12. Applicant further submits that Claims 13-16 are patentable for the additional subject matter they recite, which is not taught or suggested in the prior art. Applicant has considered the passages in Keiser at Col. 2, lines 5-65; Col. 3, lines 15-65; Col. 4, lines 5-56; Col. 6, lines 45-65; and Col. 27, lines 10-25, and does not find Keiser disclosing what is claimed. Accordingly, the rejection of Claims 13-16 should be withdrawn.

Applicant also submits that new Claims 18 and 20-22 are patentable over the prior art, both for their dependence on Claim 12 and for the additional subject matter recited therein. Neither Keiser nor Korhammer (alone or combined) teaches the combination of Claim 12 "wherein the first computer program entities each represent an order for the security that has not been booked" (Claim 18) or "further comprising requiring the first computer program entities to register with the second computer program entity to participate in the price discovery procedure" (Claim 20). Keiser and Korhammer also do not disclose the combination of Claim 14 "wherein the at least one entity automatically provides the improved price based on the predetermined strategy" (Claim 21) or "wherein the strategy of the at least one computer program entity is determined independently of strategies for other first computer program entities" (Claim 22).

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CONCLUSION

In view of the foregoing amendments and remarks, applicant submits that Claims 1-22 in the present application are in condition for allowance. Reconsideration and allowance of the claims at an early date is solicited. If the Examiner has any questions or comments concerning this matter, the Examiner is invited to contact the undersigned counsel at the number provided below.

Respectfully submitted,

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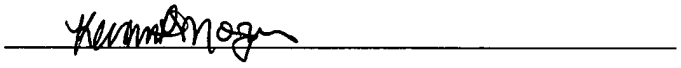
Date: 21 February 2006 

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